

FISCAL MEMORANDUM

SB 1946 – HB 2138

April 10, 2007

SUMMARY OF AMENDMENT (005718): Makes attendance in an alternative school mandatory in Metro Nashville/Davidson County.

FISCAL IMPACT OF ORIGINAL BILL:

Increase State Expenditures - \$7,655,000

Increase Local Govt. Expenditures – \$4,122,000*

**Article II, Section 24 of the Tennessee Constitution provides that: no law of general application shall impose increased expenditure requirements on cities or counties unless the General Assembly shall provide that the state share in the cost.*

FISCAL IMPACT OF BILL WITH PROPOSED AMENDMENT:

Increase State Expenditures – \$878,900

Increase Local Govt. Expenditures - \$293,000*

Assumptions applied to amendment:

- Under current law, attendance in an alternative school is voluntary for suspended or expelled students unless the local board of education adopts a policy mandating attendance in either instance.
- LEAs are currently authorized to establish alternative schools in grades one through six and are required to establish at least one alternative school for students in grades 7-12 for those who have been suspended or expelled.
- According to the Department of Education, there are eight alternative schools in Metro Nashville/Davidson County. Attendance in an alternative school is not currently required in the Metro Nashville/Davidson County school system. According to the Department of Education's 2006 Annual Statistical Report there were 359 students expelled from schools in Metro Nashville in school year 2005-06 who were not sent to an alternative school.
- Remanded students serve an average of 64 school days in an alternative school.
- The per pupil expenditure in Metro Nashville for school year 2005-06 was \$9,239 or approximately \$51 per day.

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- \$51 per pupil expenditure in Metro Nashville x 359 students expelled but not remanded to an alternative school x 64 days = \$1,171,776.
- This estimate assumes funding will be generated through the BEP funding formula for these students who will now be required to be placed into an alternative school and who previously were not counted in the ADM for funding purposes.
- State share = \$878,800
- Local share = \$293,000

*Article II, Section 24 of the Tennessee Constitution provides that: *no law of general application shall impose increased expenditure requirements on cities or counties unless the General Assembly shall provide that the state share in the cost.*

CERTIFICATION:

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.



James W. White, Executive Director

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